

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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FISCAL IMPACT STATEMENT

LS 6014
BILL NUMBER: SB 3

NOTE PREPARED: Jan 26, 2010
BILL AMENDED:

SUBJECT: Bank Branches in or near Retail Merchants.

FIRST AUTHOR: Sen. Holdman
FIRST SPONSOR: Rep. Stemler

BILL STATUS: As Passed Senate

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill prohibits certain financial institutions from establishing a branch on or within one and one-half miles of the premises or property of an affiliate that is a retail merchant.

Effective Date: July 1, 2010.

Explanation of State Expenditures: The Department of Financial Institutions (DFI) could incur additional expense, if more investigations occur as a result of complaints of branches within 1.5 miles of an affiliated retail merchant.

Background Information- The DFI is funded by bank examination fees placed into dedicated funds. The DFI received an appropriation from the General Assembly of \$8.5 M for FY 2010. The DFI generated approximately \$8.3 M in total revenue during FY 2009. Revenue is placed into the Department of Financial Institutions Fund.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: DFI.

Local Agencies Affected:

Information Sources: *State of Indiana List of Appropriations Made by the 2009 Indiana General Assembly for the Biennium July 1, 2009, to June 30, 2011*; Gina Williams, DFI, 317-232-5841.

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